
COMMONWEALTH OF VIRGINIA



OFFICE OF THE GOVERNOR

NUMBER [9] (2010)

Establishing the: "Governor's Commission on Higher Education Reform, Innovation and Investment"

Importance of the Issue

The current period of economic challenge facing our Commonwealth and Nation comes during an era of rapid technological advancement and intensifying international competition, requiring an increasingly knowledgeable workforce and engaged citizenry. There is a well-documented general correlation between the degree or certificate a person gains and the income he or she earns-between a state's educational attainment and its per capita income. Higher education is among the state programs generating the highest return in terms of job creation, economic growth, and ultimately tax revenues.

With great national universities, a higher education system distinguished by both its quality and diversity, and a vibrant knowledge-based economy, Virginia has a unique opportunity to show the way to a new era of American leadership in advanced education, ground-breaking research, and economic growth. Our country's security, our state's prosperity, and our citizens' opportunity all depend on a sustained commitment to higher education excellence and access.

During the first decade of this century, Virginia's state support for public colleges and universities was cut nearly in half on a per-student, constant-dollar basis. The result was an unprecedented cost shift to students and their families and a potential threat to quality and access. Tuition has nearly doubled in the past decade. Colleges and universities must continue to find ways to reduce operating costs and focus on the disciplines that lead to the high paying jobs of the future. Greater efficiencies and more productivity in the state system must be found.

There is a pressing need for the Commonwealth to establish a long-term policy of reform, innovation and investment that will ensure instructional excellence, create affordable pathways to college degree attainment for many thousands more Virginians, prepare our citizens for employment in the high-income, high-demand fields of the new economy, foster socio-economically important research and development, and ensure affordable access to appropriate post-secondary education, training, and re-training for all Virginians.

Governor's Commission on Higher Education Reform, Innovation and Investment

Accordingly, by virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and under the laws of the Commonwealth, including but not limited to Section 2.2-134 of the *Code*

of Virginia, and subject always to my continuing and ultimate authority and responsibility to act in such matters, I hereby establish the Governor's Commission on Higher Education Reform, Innovation and Investment ("Commission").

The Commission shall consist of up to 30 members appointed by the Governor and serving at his pleasure. The Governor shall designate a Chairman and one or more Vice-Chairmen from among the members. The Commission shall include the Secretary of Education, the Secretary of Technology, the Secretary of Finance or designate, and the Vice-Chairman of the Council on Virginia's Future and other state leaders as determined by the Governor. The Lieutenant Governor, Secretary of Commerce and Trade, and Senior Economic Advisor shall serve as *ex officio* members.

The Commission shall consider the current state of public and private higher education in Virginia and the best practices in other states and countries, and shall make findings and recommendations for addressing the following priorities:

- Preserving and enhancing the instructional excellence of Virginia's leading universities and of the higher education system as a whole;
- Increasing significantly the percentage of college-age Virginians enrolling in institutions of higher education and attaining degrees;
- Attracting and preparing young people for the STEM (science, technology, engineering, and math) areas and other disciplines (e.g., healthcare and advanced manufacturing) where skill shortages now exist and/or unmet demand is anticipated;
- Forging new effective public-private partnerships and regional strategies for business recruitment, workforce preparation, and university-based research;
- Making Virginia a national leader in providing higher education opportunities to military personnel and veterans;
- Crafting a sustainable higher education funding model that will systematically move Virginia toward higher levels of educational attainment and economic competitiveness over the next decade-and-a-half;
- Developing innovative ways to deliver quality instruction, cost-saving reform strategies, and affordable new pathways to degree attainment for capable and motivated Virginians regardless of income or background;
- Evaluating strategies to reduce costs through additional college placement testing and accelerated degree completion; and
- Creating effective workforce development programs through expanded use of the Community College System in coordination with the Commission on Economic Development and Job Creation.

The Commission's report shall set forth a comprehensive strategy for increased educational attainment, skills development, and lifelong learning that will equip Virginians to succeed at the highest levels of global economic competition. The strategy shall include a renewed commitment to public-private collaboration, predictable state operational support, and managerial flexibility at the institutional level. The strategy shall simultaneously challenge, encourage, and empower the institutions to attract resources, emphasize STEM and other priority disciplines, while deemphasizing low-demand programs, and using new technology and pedagogy to replace outmoded methods of service delivery with cost-effective instructional programming. The strategy shall embrace the full array of Virginia's higher education assets-public and private, for-profit and not-for-profit, residential and non-residential, physical and virtual-for the purpose of ensuring that all Virginians have affordable access to appropriate post-secondary education, training, and re-training opportunities.

The Commission shall accomplish its work through committees appointed by the Chairman and corresponding to the following three major objectives, together with such additional committees, subcommittees and working groups as the Chairman may establish:

(1) Increased Degree Attainment, Financial Aid and Workforce Training

- Plan for achieving the goal of 100,000 cumulative additional associate and bachelor's degrees over the next 15 years;

- Concentration of increased educational attainment in the STEM areas and other high-demand and high-income fields;
- Plan to support increased enrollment of Virginia students;
- Suitable financial aid for low and middle income families;
- Alignment of policies, resources and incentives to promote study in areas where shortages of skilled workers exist or are anticipated;
- Provision of enhanced higher education opportunities to military personnel and veterans; and
- Coordination with the Job Creation Officer, Office of Commerce and Trade, and Governor's Economic Development and Job Creation Commission on workforce development initiatives and recommendations.

(2) Implement Innovation and Cost Containment

- Model for higher education funding and service delivery that embodies a long-term commitment to high-quality instruction and affordable access, and that incorporates the degree attainment goals set out in (1) above;
- Rigorous cost-benefit analysis to identify and phase out low-demand programs and reduce/prevent wasteful central office administrative spending and eliminate redundancy within and across higher educational institutions;
- Optimal development and utilization of private and federal resources;
- Increased collaboration among high schools, community colleges, four-year institutions, and private providers to reduce the time and cost of obtaining a college degree;
- Use of new technology for delivering instruction, including course re-design for online learning, use of electronic instructional materials in lieu of textbooks, etc.; and
- Analysis of the principles and objectives of the Higher Education Restructuring Act of 2005, and enhancements thereto.

(3) Regional Strategies/Partnerships for Research and Economic Development

- Plan to dramatically increase the leveraging of private and federal research funding by Virginia's colleges and universities;
- Coordination with development of a Virginia Energy Institute and other energy-related research initiatives;
- Coordination with the Office of Commerce and Trade to develop region-specific strategies and partnerships through which public and private colleges and community colleges participate actively in economic development, workforce training, development of research parks, and related activities; and
- Identification of funding streams through which financial incentives for regional collaboration and public-private partnerships may be introduced.

The Commission shall submit to the Governor its findings and recommendations on matters potentially impacting the development of the Executive Budget no later than September 30, 2010. The Commission shall submit to the Governor a final report of its activities, findings and recommendations no later than November 30, 2010.

Staff support as necessary for the conduct of the Commission's work during the term of its existence shall be provided by the Office of the Governor, the Office of the Secretary of Education, the Offices of the other Governor's Secretaries represented on the Commission, the Department of Planning and Budget, the Council on Virginia's Future, and such other agencies as the Governor may designate. All executive branch agencies shall cooperate fully with the Commission and render such assistance as may be requested by it.

An estimated 2,000 hours of staff time will be required to support the Commission. Such funding as is necessary for the term of the Commission's existence shall be provided from sources, including both private and appropriated funds, contributed or appropriated for purposes related to the work of the Commission, as authorized by Section 2.2-135(B) of the *Code of Virginia*. Direct expenditures for the Commission's work are estimated to be \$15,000, exclusive of staff support.

